A8050-1A

July 23, 1985

press release

Contact:

Charles Pollock

national machine tool builders association

7901 WESTPARK DRIVE
McLEAN, VIRGINIA 22102
AREA CODE (703) 893-2900
TWX 710-831-0031 NMTBA MCLN

FOR RELEASE A.M. MONDAY, July 29, 1985

MACHINE TOOL ACTIVITY
UP DURING FIRST SIX MONTHS OF 1985

McLean, VA, July 29, 1985 -- U.S. machine tool shipments rose 9% in the first half of 1985, to $1.1 billion compared to $1.0 billion in the first six months of 1984, according to data released today by the National Machine Tool Builders' Association. Shipments for metal forming machines during the six months rose 16% to $374.6 million, while shipments for metal cutting machines went up 6% to $741.7 million.

Machine tool orders held steady during the first six months of 1985, rising less than 1% to $1.4 billion over the same period in 1984. Metal forming orders fell 19% to $365.2 million, but metal cutting machine orders were up 10% over 1984 to $1.0 billion. The unusually large value of metal cutting machine tool cancellations was not wide spread; rather it was the result of the termination of a few projects.

In June, 1985, machine tool shipments rose 34% over May, to $237.6 million. This included a 37% rise in metal cutting tool

-more-

shipments to $162.7 million, and a 28% rise in metal forming machines to $74.9 million.

The monthly comparison for machine tool orders showed a 6% rise in June from May, to $235 million, including a leveling in metal forming orders at $52.1 million, and a 7% increase in metal cutting orders, to $183 million.

"Shipment increases in June were encouraging but that's normal at the end of a quarter," said Association president James A. Gray. "However, if annualized, the $1.1 billion shipment figure pales in comparison to past performance. After nearly two years of recovery, today's level of industry activity, adjusted for inflation, has climbed to a level approximately equal to the troughs of previous recessions. This comparison indicates that the machine tool industry has a long way to go before recovering completely.

"What gives us particular grounds for concern is that the Administration and Congress are seriously considering gutting those investment provisions of the tax code that have helped generate our comeback, as modest as it has been.

"Now, with many industries only half recovered, Congress and the Administration want to dramatically increase depreciation lives without any recognition of the explosive technological development and rapid obsolescence of modern machine tools. The result will be a stagnation of America's improving industrial competitiveness, a slowing of the capital goods industries' already lagging recovery, and a lowering of the rate of job creation in the U.S.

"It seems that some in the federal government fail to understand that without a healthy machine tool industry, no other American industry can survive. We build the tools that build the nation."

# # #

COMPARISON CHART

NET NEW ORDERS -- MACHINE TOOLS
(Thousands of Dollars)

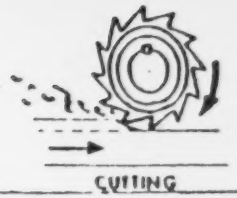
	METAL CUTTING			METAL FORMING			TOTAL Cutting and Forming		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
June 1985	160,050	22,900	182,950	48,250	3,800	52,050	208,300	26,700	235,000
May 1985	157,350	13,400	170,750	46,450	5,500	51,950	203,800	18,900	222,700
% Change									
June 1985:May 1985	+1.7	+70.9	+7.1	+3.9	-30.9	+0.2	+2.2	+41.3	+5.5
June 1984	107,550	23,400	130,950	53,600	7,200	60,800	161,150	30,600	191,750
% Change									
June 1985:June 1984	+48.8	-2.1	+39.7	-10.0	-47.2	-14.4	+29.3	-12.7	+22.6
Year To Date 1985	905,750	98,550	1,004,300	339,750	25,400	365,150	1,245,500	123,950	1,369,450
Year To Date 1984	786,850	125,100	911,950	419,700	33,200	452,900	1,206,550	158,300	1,364,850
% Change									
1985 : 1984	+15.1	-21.2	+10.1	-19.0	-23.5	-19.4	+3.2	-21.7	+0.3

SHIPMENTS -- MACHINE TOOLS
(Thousands of Dollars)

	METAL CUTTING			METAL FORMING			TOTAL Cutting and Forming		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
June 1985	149,050	13,600	162,650	72,250	2,650	74,900	221,300	16,250	237,550
May 1985	110,000	8,850	118,850	53,800	4,650	58,450	163,800	13,500	177,300
% Change									
June 1985:May 1985	+35.5	+53.7	+36.9	+34.3	-43.0	+28.1	+35.1	+20.4	+34.0
June 1984	138,750	11,550	150,300	43,450	9,750	53,200	182,200	21,300	203,500
% Change									
June 1985:June 1984	+7.4	+17.7	+8.2	+66.3	-72.8	+40.8	+21.5	-23.7	+16.7
Year To Date 1985	677,100	64,600	741,700	352,550	22,050	374,600	1,029,650	86,650	1,116,300
Year To Date 1984	646,550	53,350	699,900	284,000	37,900	321,900	930,550	91,250	1,021,800
% Change									
1985 : 1984	+4.7	+21.1	+6.0	+24.1	-41.8	+16.4	+10.6	-5.0	+9.2

Source: National Machine Tool Builders' Association

Form No. PRCC-2



TOTAL INDUSTRY ESTIMATE
MACHINE TOOLS - CUTTING AND FORMING
New Orders, Cancellations, Shipments and Backlog

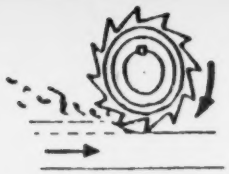
DATE	NET NEW ORDERS Domestic	Foreign	Total	Order Backlog (In Mil. $)	SHIPMENTS Domestic	Foreign	Total
1985							
Jan.	$ 195,900,000	$ 15,550,000	$ 211,450,000	1,748.30	$ 126,550,000	$ 11,250,000	$ 137,800,000
Feb.	$ 217,600,000	$ 19,900,000	$ 237,500,000	1,819.55	$ 151,650,000	$ 14,600,000	$ 166,250,000
Mar.	$ 249,750,000	$ 29,550,000	$ 279,300,000	1,871.20	$ 204,550,000	$ 23,100,000	$ 227,650,000
Apr.	$ 170,150,000	$ 13,350,000	$ 183,500,000	1,884.95	$ 161,800,000	$ 7,950,000	$ 169,750,000
May	$ 203,800,000	$ 18,900,000	$ 222,700,000	1,930.35	$ 163,800,000	$ 13,500,000	$ 177,300,000
June (p)	$ 208,300,000	$ 26,700,000	$ 235,000,000	1,927.80	$ 221,300,000	$ 16,250,000	$ 237,550,000
6 Mos.	$1,245,500,000	$ 123,950,000	$1,369,450,000		$1,029,650,000	$ 86,650,000	$1,116,300,000

DATE	GROSS NEW ORDERS Domestic	Foreign	Total	CANCELLATIONS Domestic	Foreign	Total
1985						
Jan.	$ 209,000,000	$ 17,850,000	$ 226,850,000	$ 13,100,000	$ 2,300,000	$ 15,400,000
Feb.	$ 230,450,000	$ 20,650,000	$ 251,100,000	$ 12,850,000	$ 750,000	$ 13,600,000
Mar.	$ 266,100,000	$ 32,350,000	$ 298,450,000	$ 16,350,000	$ 2,800,000	$ 19,150,000
Apr.	$ 176,350,000	$ 14,950,000	$ 191,300,000	$ 6,200,000	$ 1,600,000	$ 7,800,000
May	$ 216,650,000	$ 19,250,000	$ 235,900,000	$ 12,850,000	$ 350,000	$ 13,200,000
June (p)	$ 237,100,000	$ 27,900,000	$ 265,000,000	$ 28,800,000	$ 1,200,000	$ 30,000,000
6 Mos.	$1,335,650,000	$ 132,950,000	$1,468,600,000	$ 90,150,000	$ 9,000,000	$ 99,150,000

P - Preliminary

N.M.T.B.A. F - 1c

NOTE: This table includes industry estimate figures based on reports submitted to the National Machine Tool Builders' Association. These industry estimates have not been adjusted for change in the value of the dollar.



INDUSTRY ESTIMATE
METAL CUTTING TYPE MACHINE TOOLS
New Orders, Cancellations, Shipments and Backlog

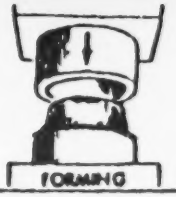
DATE	NET NEW ORDERS Domestic	Foreign	Total	Order Backlog (In Mil. $)	SHIPMENTS Domestic	Foreign	Total
1985							
Jan.	$ 124,750,000	$ 13,000,000	$ 137,750,000	1,180.45	$ 80,600,000	$ 9,150,000	$ 89,750,000
Feb.	$ 148,050,000	$ 15,700,000	$ 163,750,000	1,235.90	$ 98,950,000	$ 9,350,000	$ 108,300,000
Mar.	$ 202,700,000	$ 24,300,000	$ 227,000,000	1,303.90	$ 140,350,000	$ 18,650,000	$ 159,000,000
Apr.	$ 112,850,000	$ 9,250,000	$ 122,100,000	1,322.85	$ 98,150,000	$ 5,000,000	$ 103,150,000
May	$ 157,350,000	$ 13,400,000	$ 170,750,000	1,374.75	$ 110,000,000	$ 8,850,000	$ 118,850,000
June (p)	$ 160,050,000	$ 22,900,000	$ 182,950,000	1,395.05	$ 149,050,000	$ 13,600,000	$ 162,650,000
6 Mos.	$ 905,750,000	$ 98,550,000	$1,004,300,000		$ 677,100,000	$ 64,600,000	$ 741,700,000

DATE	GROSS NEW ORDERS Domestic	Foreign	Total	CANCELLATIONS Domestic	Foreign	Total
1985						
Jan.	$ 136,250,000	$ 14,050,000	$ 150,300,000	$ 11,500,000	$ 1,050,000	$ 12,550,000
Feb.	$ 158,900,000	$ 16,400,000	$ 175,300,000	$ 10,850,000	$ 700,000	$ 11,550,000
Mar.	$ 212,600,000	$ 27,050,000	$ 239,650,000	$ 9,900,000	$ 2,750,000	$ 12,650,000
Apr.	$ 117,000,000	$ 10,200,000	$ 127,200,000	$ 4,150,000	$ 950,000	$ 5,100,000
May	$ 163,800,000	$ 13,700,000	$ 177,500,000	$ 6,450,000	$ 300,000	$ 6,750,000
June (p)	$ 187,150,000	$ 24,050,000	$ 211,200,000	$ 27,100,000	$ 1,150,000	$ 28,250,000
6 Mos.	$ 975,700,000	$ 105,450,000	$1,081,150,000	$ 69,950,000	$ 6,900,000	$ 76,850,000

P - Preliminary

N.M.T.B.A. F - 1c

NOTE: This table includes industry estimate figures based on reports submitted to the National Machine Tool Builders' Association. These industry estimates have not been adjusted for change in the value of the dollar.



INDUSTRY ESTIMATE
METAL FORMING TYPE MACHINE TOOLS
New Orders, Cancellations, Shipments and Backlog

DATE	NET NEW ORDERS Domestic	Foreign	Total	Order Backlog (In Mil. $)	SHIPMENTS Domestic	Foreign	Total
1985							
Jan.	$ 71,150,000	$ 2,550,000	$ 73,700,000	567.85	$ 45,950,000	$ 2,100,000	$ 48,050,000
Feb.	$ 69,550,000	$ 4,200,000	$ 73,750,000	583.65	$ 52,700,000	$ 5,250,000	$ 57,950,000
Mar.	$ 47,050,000	$ 5,250,000	$ 52,300,000	567.30	$ 64,200,000	$ 4,450,000	$ 68,650,000
Apr.	$ 57,300,000	$ 4,100,000	$ 61,400,000	562.10	$ 63,650,000	$ 2,950,000	$ 66,600,000
May	$ 46,450,000	$ 5,500,000	$ 51,950,000	555.60	$ 53,800,000	$ 4,650,000	$ 58,450,000
June (p)	$ 48,250,000	$ 3,800,000	$ 52,050,000	532.75	$ 72,250,000	$ 2,650,000	$ 74,900,000
6 Mos.	$ 339,750,000	$ 25,400,000	$ 365,150,000		$ 352,550,000	$ 22,050,000	$ 374,600,000

DATE	GROSS NEW ORDERS Domestic	Foreign	Total	CANCELLATIONS Domestic	Foreign	Total
1985						
Jan.	$ 72,750,000	$ 3,800,000	$ 76,550,000	$ 1,600,000	$ 1,250,000	$ 2,850,000
Feb.	$ 71,550,000	$ 4,250,000	$ 75,800,000	$ 2,000,000	$ 50,000	$ 2,050,000
Mar.	$ 53,500,000	$ 5,300,000	$ 58,800,000	$ 6,450,000	$ 50,000	$ 6,500,000
Apr.	$ 59,350,000	$ 4,750,000	$ 64,100,000	$ 2,050,000	$ 650,000	$ 2,700,000
May	$ 52,850,000	$ 5,550,000	$ 58,400,000	$ 6,400,000	$ 50,000	$ 6,450,000
June (p)	$ 49,950,000	$ 3,850,000	$ 53,800,000	$ 1,700,000	$ 50,000	$ 1,750,000
6 Mos.	$ 359,950,000	$ 27,500,000	$ 387,450,000	$ 20,200,000	$ 2,100,000	$ 22,300,000

P - Preliminary

N.M.T.B.A. F - 1d

NOTE: This table includes industry estimate figures based on reports submitted to the National Machine Tool Builders' Association. These industry estimates have not been adjusted for change in the value of the dollar.

QUARTERLY AND YEARLY SHIPMENTS AND NET NEW ORDERS OF MACHINE TOOLS
(DOLLAR FIGURES IN THOUSANDS)
1980 TO DATE

	CUTTING AND FORMING			CUTTING			FORMING		
	SHIPMENTS		NET	SHIPMENTS		NET	SHIPMENTS		NET
DATE	Total	Foreign	NEW ORDERS	Total	Foreign	NEW ORDERS	Total	Foreign	NEW ORDERS
1980-1	$1,146,150	$115,700	$1,517,450	$ 881,400	$ 86,750	$1,207,800	$ 264,750	$ 28,950	$ 309,650
2	1,193,300	155,550	1,335,350	925,350	122,850	1,142,100	267,950	32,700	193,250
3	1,049,050	133,850	917,500	830,450	102,650	728,300	218,600	31,200	189,200
4	1,303,250	202,400	984,000	1,043,600	162,550	806,550	259,650	39,850	177,450
Total	$4,691,750	$607,500	$4,754,300	$3,680,800	$474,800	$3,884,750	$1,010,950	$ 132,700	$ 869,550
1981-1	$1,288,200	$210,800	$ 920,350	$1,017,850	$155,600	$ 706,600	$ 270,350	$ 55,200	$ 213,750
2	1,367,500	236,350	867,000	1,103,400	185,450	661,200	264,100	50,900	205,800
3	1,133,950	127,950	593,450	920,300	99,950	455,250	213,650	28,000	138,200
4	1,305,950	143,850	564,050	1,062,950	111,050	405,050	243,000	32,800	159,000
Total	$5,095,600	$718,950	$2,944,850	$4,104,500	$552,050	$2,228,100	$ 991,100	$ 166,900	$ 716,750
1982-1	$1,154,200	$112,650	$ 506,800	$ 933,050	$ 71,750	$ 384,850	$ 221,150	$ 40,900	$ 121,950
2	1,008,450	96,600	382,650	810,650	75,350	274,750	197,800	21,250	107,900
3	783,400	107,200	279,950	640,450	89,750	183,450	142,950	17,450	96,500
4	658,350	89,600	328,350	510,600	59,300	221,400	147,750	30,300	106,950
Total	$3,604,400	$406,050	$1,497,750	$2,894,750	$296,150	$1,064,450	$ 709,650	$ 109,900	$ 433,300
1983-1	$ 487,450	$ 56,650	$ 314,850	$ 370,600	$ 40,800	$ 224,100	$ 116,850	$ 15,850	$ 90,750
2	469,650	58,300	399,100	357,500	49,300	269,300	112,150	9,000	129,800
3	357,050	42,900	468,150	252,350	32,200	322,200	104,700	10,700	145,950
4	530,900	57,150	514,050	391,050	49,600	336,050	139,850	7,550	178,000
Total	$1,845,050	$215,000	$1,696,150	$1,371,500	$171,900	$1,151,650	$ 473,550	$ 43,100	$ 544,500
1984-1	$ 449,500	$ 40,550	$ 600,450	$ 298,100	$ 25,100	$ 412,750	$ 151,400	$ 15,450	$ 187,700
2	$ 572,300	$ 50,700	$ 764,400	$ 401,800	$ 28,250	$ 499,200	$ 170,500	$ 22,450	$ 265,200
3	$ 568,850	$ 41,850	$ 800,200	$ 401,550	$ 24,300	$ 493,000	$ 167,300	$ 17,550	$ 307,200
4	$ 695,200	$ 60,150	$ 750,750	$ 505,050	$ 45,000	$ 510,850	$ 190,150	$ 15,150	$ 239,900
Total	$2,285,850	$193,250	$2,915,800	$1,606,500	$122,650	$1,915,800	$ 679,350	$ 70,600	$1,000,000
1985-1	$ 531,700	$ 48,950	$ 728,250	$ 357,050	$ 37,150	$ 528,500	$ 174,650	$ 11,800	$ 199,750
2P	$ 584,600	$ 37,700	$ 641,200	$ 384,650	$ 27,450	$ 475,800	$ 199,950	$ 10,250	$ 165,400
Total	$1,116,300	$ 86,650	$1,369,450	$ 741,700	$ 64,600	$1,004,300	$ 374,600	$ 22,050	$ 365,150

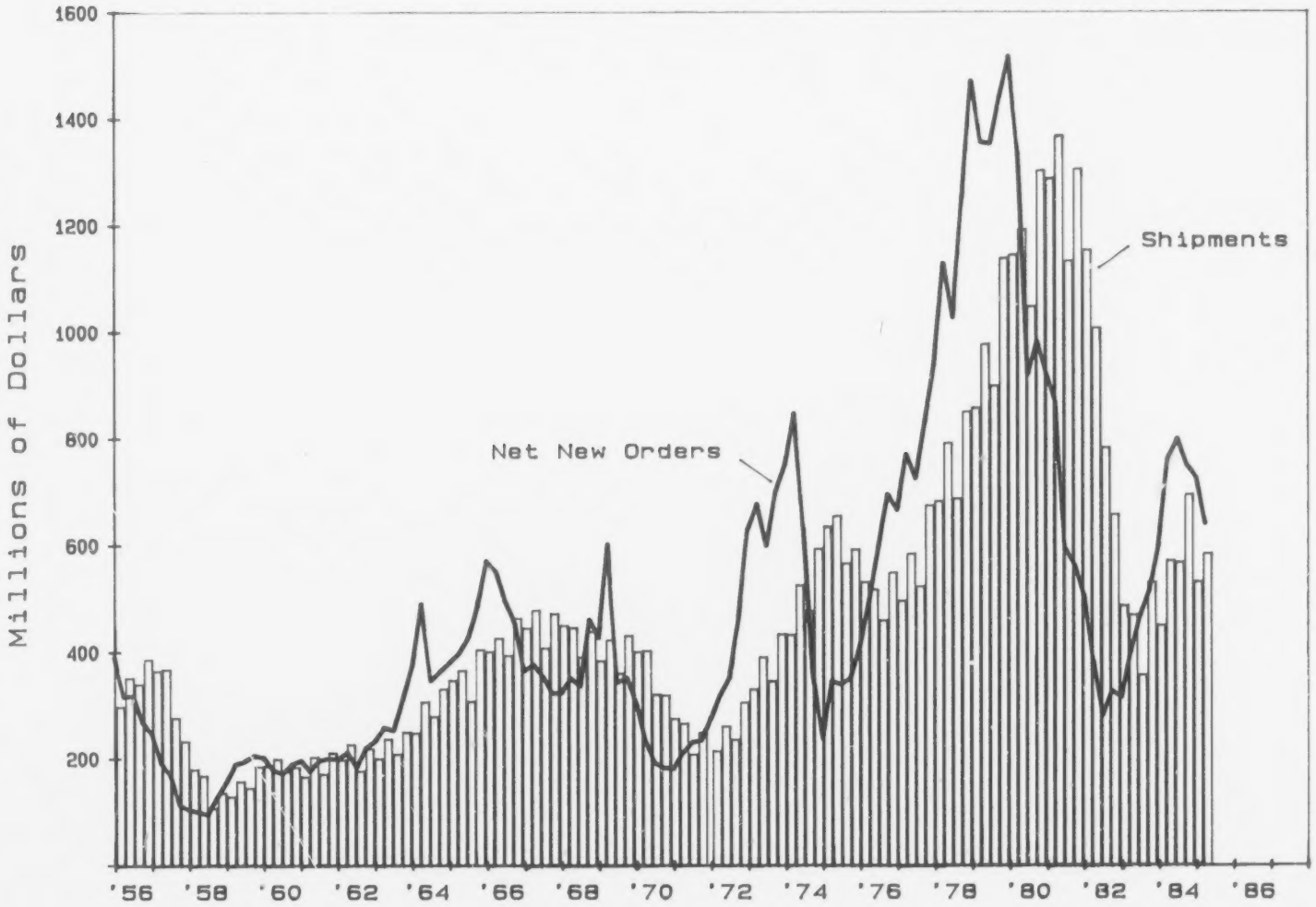
P - Preliminary

NOTE: These data series are available back to 1956. To obtain a copy of the tables for 1956 through 1984, contact:
NMTBA Statistical Department, 7901 Westpark Drive, McLean, Virginia 22102. Phone: 703:893-2900

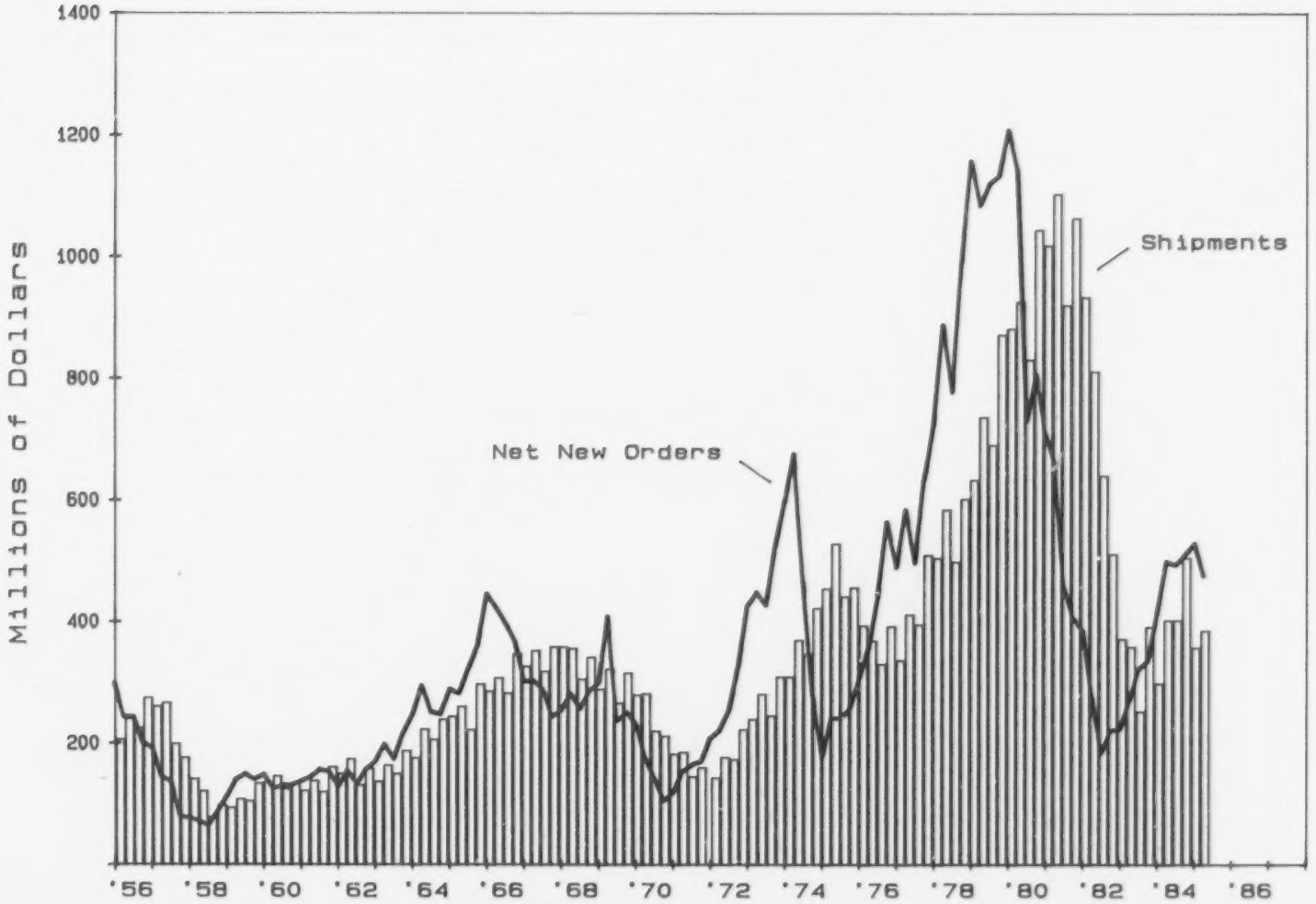
Source: National Machine Tool Builders' Association

July 29, 1985

Total Machine Tools
Shipments (Bar) and Net New Orders (Line)
Quarterly, 1956: 1 to 1985: 2



Metal Cutting Machine Tools
Shipments (Bar) and Net New Orders (Line)
Quarterly, 1956: 1 to 1985: 2



Metal Forming Machine Tools
Shipments (Bar) and Net New Orders (Line)
Quarterly, 1956: 1 to 1985: 2